

B

Stands for BLOM'S,
The new corner store
Recently opened,
With new goods galore.
It's Hawaii's finest,
None can excel;
Mauka Ewa corner,
Fort and Hotel.

L

Stands for laces,
And new lingerie,
Lawns and fine linens
From over the sea.
Largest assortment,
Cannot be beat;
Latest in styles,
Stock most complete.

O

Stands for other
Goods now on sale;
To name them all
Too long a tale.
But everything
In dry goods list,
You'll find at Blom's--
There's nothing missed.

M

Stands for many
Different kinds
Of pretty things
One surely finds
In Blom's new store
That make nice gifts.
For instance, say,
Initial handkerchiefs.

S

Stands for sales
We're going to make
At prices sure
Your breath will take.
Blom's is last word,
When talking style;
See Blom's new store,
It's worth your while.

GOVERNOR MAKES ANNUAL REPORT

Progress of Territory In Many
Lines Shown By Summary
of Conditions.

PRAISES WORK DONE
FOR PUBLIC SCHOOLS

Defends Enactment of Labor
Legislation—Sees Improve-
ment In Homesteading Sys-
tem.

Governor Freat's annual report to the secretary of the interior, summarizing the various features of which have appeared from time to time in the local press while the executive was engaged in getting up the report, has been printed and copies came from the mainland mail yesterday afternoon.

The Governor takes up in detail the condition of the territory in many physical, sociological and industrial phases. His report is summarized in the opening pages as follows:

General.
The last year, like the three immediately preceding years, has been one of great prosperity. Crops have been large and prices good; new industries have been begun and old ones extended; transportation and communication facilities have been increased by additional vessels, by railway, street railway, and road construction, and by improvements in wireless and telephone systems; there has been much building. The Federal Government has made good progress in the construction of the naval station and fortifications and in harbor improvements. The Territorial government has made marked advances in many directions.

Finances.
Imports and exports for the year aggregated \$69,451,163, which, although less by \$2,173,796 than the amount for the preceding year, was greater by \$7,226,984 than the largest amount before that; they have increased 125 per cent in the 11 years of Territorial government. The imports were \$27,512,580, an increase of \$2,374,333, and the exports \$41,938,583, a decrease of \$4,547,829. About 90.5 per cent of the trade was with the mainland of the United States.

The steady and rapid increase in imports from the mainland continues; they have practically doubled within the last seven years. The inward tonnage was 1,343,876, an increase of 35,075, and the outward tonnage slightly greater. The tonnage has increased 40 per cent during Territorial government. Nearly 95 per cent in value of the freight was carried in American bottoms. The customs receipts were \$1,654,761.34, an increase of \$79,442.19, and larger than for any preceding year. The total thus paid into the Federal Treasury since the organization of Territorial government is \$14,913,460.86. The Federal internal-revenue receipts were \$218,739.14, an increase of \$19,636.63, and larger than for any preceding year. Of this, \$129,238.76 were corporation taxes. The internal-revenue receipts aggregate \$956,204.32 for the period of Territorial government.

The current receipts of the Territorial government were \$3,482,560.84, a decrease of \$158,684.51, due principally to the abnormally large inheritance taxes of the preceding year. The disbursements, including payments to counties and transfers to special funds, were \$3,584,517.61, an increase of \$320,153.41. While there thus seems to be an excess of \$101,956.77 in disbursements over receipts, it is because of transfers to special funds, and there was really an excess of receipts over actual expenditures; the net cash balances in all revenue accounts, after deducting all outstanding warrants, aggregated \$1,101,061.72 at the close of the year, an increase of \$287,449.60 over the corresponding amount for the preceding year. This will probably be reduced during the coming year on account of increased appropriations. The counties collected \$267,275.56 for themselves in addition to \$1,184,564.11 paid to them by the Territorial government. Thus the total public revenues, Territorial and County, aggregated \$2,749,836.40, of which \$2,297,996.73 went to the Territory and \$1,451,839.67 to the counties.

Protecting Labor.
The bureau of immigration was elevated to a department of immigration, labor, and statistics, with greatly enlarged powers. The special income tax, three-fourths of the proceeds of which are devoted to immigration, was continued for another two years, and a number of laws were enacted to prevent undue enticement of laborers from Hawaii to the Pacific Coast States and Alaska. During the year the board of immigration introduced 1,451 Spanish and Portuguese immigrants from Europe, and the sugar planters introduced 2,209 Filipinos from the Philippines. The total number of immigrants, Spanish, Portuguese, and Russians, introduced by the board since its organization in 1905 is 8,793, exclusive of persons

brought from the mainland of the United States.

Public Schools.
The public schools were put upon a firm financial basis, which will result in a material increase in school buildings, school teachers, and teachers' salaries. The required funds are to be determined largely by estimates of needs, subject to certain limitations based on the number of pupils, and taxes will be levied to meet the estimates. Comparatively little will depend upon specific legislative appropriations. The enrollment in the schools at the close of the year was 16,122, an increase of 585, of whom 20,597 were in the public schools and 5,325 in private schools, as compared with 15,537 for the first year of Territorial government.

Public Health.
No subject has received more attention during the last year than that of the public health. The location of Hawaii at the crossways of Pacific commerce and the approaching completion of the Panama Canal emphasize the need of the greatest care in this matter. Appropriations of \$1,312,806.97, or 60 per cent more than by the preceding biennial legislature, were made directly for health purposes, besides appropriations of nearly a million dollars in addition for closely related matters, such as water and sewer works. A sanitary commission was provided to devise plans for placing the city of Honolulu in permanent sanitary condition. Many laws of a comprehensive character were enacted on the subjects of sanitation, tuberculosis, pure food, and other health matters. During the year the department of public health effected much reorganization and extension of its work. There were two short epidemics of cholera close together, with 39 cases and 29 deaths; 2 cases of plague appeared in Honolulu and 4 on the island of Hawaii. A case of yellow fever appeared off port for the first time, but did not reach shore, where the yellow-fever mosquito exists. The year was a notable one in the investigation of leprosy by the United States Public Health and Marine-Hospital Service in laboratories and with patients furnished by the Territory. The bacillus of this disease is now easily cultivated artificially, following the first such cultivation by Clegg, then employed in Manila, but now at Honolulu, which marks the first great advance in the study of this disease since the discovery of the bacillus by Hansen in 1868. General leprosy was developed also in a monkey, which is probably the first time that it has been developed in an animal other than man, a result which augurs well for more effective research work in the future.

Taxation.
One of the most important subjects of legislation was that of taxation, especially in connection with the subject of local governments. With a view to fixing responsibility on the county supervisors, making obvious to their constituents the relation between the taxes they pay and the benefits they derive in return, obviating the demoralizing influence of a common money bag and averting encroachments on the territorial treasury in the supposed interests of the counties, the sources of revenues were separated and the property tax rates were made elastic. The Territory and each county will hereafter rest upon its own independent financial basis with an elastic system of taxation and with the revenues of each varying according to its needs, instead of all drawing from a common fund produced largely by an unchanging property tax rate. A number of laws were enacted to insure honesty and efficiency in the administration of county governments. In general attention is now being paid more to the perfection than to the extension of local governments.

For several years comparatively little has been done in public work and for that reason as well as because of

improved financial conditions, public works have now been provided for to the extent of about \$4,000,000, to be expended during the next two or three years, partly out of current revenues and partly out of loan funds. These are mainly water and sewer works, wharf and harbor improvements, roads, and buildings for the library of Hawaii, the college of Hawaii, the public schools, the insane asylum, the prison, hospitals, and armories.

Homesteading.
Progress has been made in homesteading and conservation. While only 172 homesteads were taken up, a great many were surveyed, and changes in methods of homesteading, supported by a saner public sentiment on this subject, are diminishing the homesteading for speculative purposes. Several demonstration farms were established and others are contemplated in homestead centers and arrangements have been completed for establishing a territorial marketing agency in order to instruct and assist small producers as to seed, as to times and methods and extent of planting, and as to grading, packing, shipping, and marketing their produce. The topographic survey of the island of Kauai was completed and work begun on the island of Hawaii. The hydrographic survey was extended over the four largest islands. Forest reserves were created aggregating 85,062 acres, bringing the total up to 25 reserves, aggregating 631,956 acres. The division of animal industry conducted a vigorous campaign against bovine tuberculosis with the result that that disease was almost eradicated from dairy cows on the island of Oahu, and will soon be practically eradicated from the entire Territory. The division of entomology has extended its work, but has met with one of the greatest dangers through the introduction of the Mediterranean fruit fly, probably from Australia, into the islands of Oahu and Kauai. The Federal experiment station has extended its work, partly through territorial financial assistance and is becoming more and more a factor in the development of minor industries, among which the pineapple industry has now taken the lead, and cotton and tobacco give the best promise among the newest industries. The main crop, sugar, was the largest yet.

Needed Legislation.
An increase in the facilities for passenger travel between Honolulu and the mainland continues to be one of the urgent needs which should be met through the suspension of the coastwise navigation laws for a limited period so far as they relate to passenger traffic. (See heading "Transportation facilities.")

The creation of a park to include the largest active volcano, Kiluaea, its neighboring extinct craters, and other objects of interest, and the occasionally active volcano, Mauna Loa, is a matter of national importance, recommended the necessary action by Congress in my last report, and since then the legislature has passed a resolution requesting it. (See heading "Kilauea National Park.")

A lighthouse de jure at Honolulu for the Territory has become a pressing need.

Appropriations should be made for continuing work upon the harbors of Honolulu, Hilo, and Kahului, and beginning work on one of the harbors of the island of Kauai.

Through the efforts of the Hawaii Promotion Committee, illustrated lectures on the islands have been given at practically every state fair and land show held throughout the United States this year. During the month of December the Hawaii Promotion Committee will be represented at the United States Land and Irrigation Exposition now being held at Chicago and ending December 9. This fair opened to tremendous crowds on November 16. Representation will also be had at the Northwestern Land Products Show, to be held at St. Paul December 12-24. At all of these shows, Hawaiian folders are given out, and at the December shows the 1912 Floral Parade posters will be displayed.

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'FRISCO BAY FOR BIG NAVY RANGE

SAN FRANCISCO, Cal., Nov. 25.—In the near future San Francisco bay may have the largest small arms target range in the world. The Navy Department proposes to establish a range on the bay for the use of the cruising battleship fleet, which will spend at least half its time in the Pacific Ocean after the Panama Canal is opened, for the reserve battleship fleet to be stationed permanently on this Coast, and the many smaller craft of the Pacific fleet.

Of the several sites inspected by naval officers, that near McNair's point, on San Pablo bay, not far from San Rafael, is thought to be the most suitable, although there are others that would fill the requirements. Congress will be asked at its coming session, to make the preliminary appropriation for the range.

Those interesting themselves in the matter hope that the range may be in operation before the opening of the Panama-Pacific international exposition in 1915, in order that the great international rifle matches planned for that year may be held upon it.

GRAND ARMY POST ELECTS ITS OFFICERS

At the regular monthly meeting of George W. De Long Post No. 45, Grand Army of the Republic, held on Monday night, December 4, the following officers were elected to serve for the year 1912: Frederick Turill, post commander; E. P. Roberts, senior vice commander; R. D. Ellsworth, junior vice commander; W. L. Eaton, quartermaster; George Dietz, surgeon; P. W. Riber, chaplain; E. A. Strout, officer of the day; M. Martinez, outside guard; C. H. Dickey, delegate to department encampment; W. L. Eaton, alternate delegate.

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